



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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July 14, 2000

Carmela Romerio  
US Forest Service  
Burley Ranger District  
3650 South Overland Avenue  
Burley, Idaho 83318

Re: Acceptance of Notice of Intention to Commence Small Mining Operations (S/003/055) and  
Exploration Activities (E/003/033), Clarks Basin Project, Box Elder County, Utah

Dear Mr. Pauletto:

On July 7, 2000, Dick Riordan submitted two notices and two permit fees payments on behalf of Paul Pauletto for exploration activities and small mining operations at Clarks Basin located in Sections 2, 3, 10, 11, 12, 13, and 15, T13N, R16W, SLBM, Box Elder County, Utah. As these projects are located on USFS managed lands, it is understood that your office will be the "lead agency" for these projects.

We have reviewed the notices for completeness under the Exploration and Small Mining Rules. The notices are complete and no additional information is required by the Division at this time. *Mr. Pauletto may commence operations as outlined in the notices, as long as he has received written approval from the U.S. Forest Service to proceed.* Approval of mineral exploration or mining operations by the Division of Oil, Gas and Mining does not constitute approval to commence operations upon federal lands managed by the Bureau of Land Management (BLM) or United States Forest Service (USFS). Before conducting mining operations on these lands, the operator must provide written notification, meet bonding requirements, and obtain written approval from the appropriate agency. The operator has also provided you with copies of the notices.

In accordance with the Utah Mined Land Reclamation Rules, R647-2-105 and R647-3-105 regarding project location, the areas to be disturbed should be plotted on a map in sufficient detail so that they can be located on the ground. It is also required that the operator mark the proposed (5 acre or less) disturbed area boundary (including access/haul roads) in the field with metal T-Posts (or with some other marker of equal effectiveness). This is required for both projects. Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

For your reference, we have attached copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a minesite. We will forward a copy of these summaries to the operator along with a copy of this letter. We suggest the operator give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior

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to beginning mining operations will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

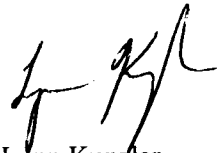
Should the operator wish to expand the operation beyond the five (5) acre limitation, he should notify you and this office as soon as possible to discuss the necessary permitting requirements. Division approval of a large mining notice could take from six to twelve months or longer.

The small mining notice indicates that this operation is a wet operation. A Memorandum of Understanding between this Division and the State Department of Environmental Quality (DEQ) requires us to notify DEQ upon receipt of a proposal for a wet mining operation. Please advise the operator to contact DWQ prior to starting their small mining operation to determine whether additional permits and/or approvals are required, , if he hasn't already done so. We have forwarded a copy of the small mining notice to the DEQ for their review. Their address and phone number is: Department of Environmental Quality, 288 North 1460 West, Salt Lake City, Utah, 84116, (801) 538-6146. The exploration notice will not be made public record.

It is understood that you acting as "Lead Agency" will notify the operator accordingly. Please provide us with a final copy of your completeness letter to the operator.

Thank you for your cooperation. If you receive further information or amendments for this operation, please notify us so we will be able to update our files. Please reference our designated file number E/003/033 or S/003/055 when forwarding additional information on these two projects to us.

Sincerely,



Lynn Kunzler  
Senior Reclamation Specialist

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Enclosure: operation & reclamation practices summary

cc: Paul Pauletto, Operator, w/encl  
Dick Riordan, Consultant, w/encl  
Tracking File

Pauletto-apv